

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

MJC VENTURES LLC, and MARK CAMPBELL, Plaintiffs, v. DETROIT TRADING COMPANY, ET AL., Defendants.	2:19-CV-13707 HON. TERRENCE G. BERG ORDER STRIKING MOTION TO COMPEL DIVIDENDS (ECF NOS. 30, 31)
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This matter comes before the Court on Plaintiffs’ “Motion to Compel Dividends.” ECF No. 30. Plaintiffs’ motion requests that the Court order Defendant Detroit Trading Company to pay \$2 million in dividends under Michigan’s jurisprudence—which grants “the Court authority to intervene in breaches of fiduciary duties and inadequate dividend distributions”—or Michigan’s equitable shareholder oppression statute, M.C.L. § 450.1489. ECF No. 30, PageID.971.

The Court will strike Plaintiffs’ motion for the following reasons. First, the Court is unable to find and Plaintiffs fail to point to any Federal Rule of Civil Procedure that authorizes such a motion. Typically, motions to compel are filed pursuant to Federal Rule of Civil Procedure 37 and pertain to disclosures or discovery material. *See Fed.R.Civ.Pro. 37(a)(1)*

(“On notice to other parties and all affected persons, a party may move for an order compelling disclosure or discovery.”). Here, Plaintiffs seek neither disclosures nor discovery, but \$2 million in dividends. The Court finds no basis under the Federal Rules, in Rule 37 or elsewhere, that would support the bringing of such a motion. Second, and relatedly, Plaintiffs’ third amended complaint already seeks remedies for the alleged behavior outlined in the motion. For example, Plaintiffs’ motion asks for relief under M.C.L. § 450.1489, but the third amended complaint already seeks remedies under this statute. *See* ECF No. 16, PageID.663 (“Plaintiffs Mark Campbell and MJC Ventures LLC request a Judgment against all Defendants, as follows: . . . All applicable remedies under MCL § 450.1489.”). Even if courts can order relief of a dividend, a motion is not the proper vehicle to resolve the evidentiary questions which would allow this relief. Rather, a complaint and the discovery process is the vehicle by which plaintiffs ought to seek relief for fraud, mismanagement, bad faith, breach of fiduciary duty, or other violations of the law which may entitle the party to dividends as redress.

Finally, for judicial efficiency, the Court shall not entertain any other motions from either party in this case until the currently pending Motion to Remand (ECF No. 17) and Motion to Strike Amended Complaint and Motion to Dismiss Plaintiffs’ Third Amended Complaint (ECF No. 18) have been resolved. Therefore, the Court will also order that parties seek leave of the Court before filing any further motions.

CONCLUSION

For these reasons, the Court **STRIKES** Plaintiffs' motion to compel (ECF No. 30) and motion to seal (ECF No. 31). The Court also orders that parties seek leave of the Court before filing any further motions.

SO ORDERED.

Dated: February 23,
2021

s/Terrence G. Berg

TERRENCE G. BERG

UNITED STATES DISTRICT JUDGE